GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:5514
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CONTRIBUTION OF AGRICULTURE SECTOR IN GDP
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Will the Minister of AGRICULTURE be pleased to state:

(a) the details of the contribution of agriculture sector in Gross Domestic Product (GDP);

(b) the percentage of population supported by agriculture sector;

(c) whether there is a colossal loss of agriculture output due to lack of sufficient food processing capabilities,inadequate storage and transport facilities in the country;

(d) if so, the details thereof; and

(e) the steps taken by the Government so far in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA)

(a) According to the advance estimates released by Central Statistical Organization, the contribution of agriculture including the allied sectors of forestry & logging and fishing to Gross Domestic Product (GDP) at 1993-94 prices was 20.5% in the year 2004-05 as against 21.7% in the year 2003-04. Details are given in the enclosed Statement.

(b) Nearly two thirds of the country`s population are supported by the agriculture sector. According to the Population Census, 2001, the number of agricultural workers comprising cultivators and agricultural labourers constituted 58% of the total workforce in the country.

(c) to (e) It is estimated that about 20 million tonnes of foodgrains are lost annually involving an estimated cost of Rs. 15000 crore due to fack of past harvest technology and non-existence of integrated transport, storage and marketing facilities. Similarly, it is estimated that 25 to 30% losses occur in case of fruits and vegetables, depending upon the produce, the season and the distance covered in transporting goods from origin (production/coiiection centers) to destination. With a view to minimizing wastage, maximizing value addition and enhancing shelf life of food products, several Plan schemes have been implemented by the Ministry of Food Processing industries. Under these schemes financial assistance is provided for the establishment and modernization of food processing units, creation of infrastructure, support for research and development including human resource development to enhance food processing capabilities. Moreover, agro-processing units are being set up in the producing areas to reduce wastage, especially, of horticultural produce.

The rate of assistance for establishment/modernization of food processing units is 25% of the cost of plant and machinery and technical civil works subject to maximum of Rs. 50 lakhs in general areas and 33.33% of the project cost subject to a maximum of Rs. 75 lakhs in difficult areas, like North Eastern Region.

The Department of Agriculture and Cooperation is implementing the scheme of `Gramin Bhandaran Yojana` to reduce the wastage and produce deterioration. Under the scheme scientific storage capacity in the country is enhanced through construction/renovation of rural godowns. In order to encourage promoters taking up construction of rural godowns under the scheme, credit linked back ended subsidy is provided @ 15% or 25% or 33.33% of the project cost to different categories of promoters.

Statement

Contribution of Agriculture Including Allied Sectors in Total Gross Domestic Product at Constant Price (1993-94)

(In percent)

Year	Agriculture including allied sectors	Agriculture (crop husbandry & livestock)

1993-94	30.97	28.39
1994-95	30.32	27.82
1995-96	28.00	25.62
1996-97	28.46	26.16
1997-98	26.50	24.26
1998-99	26.42	24.34
1999-02	24.99	22.92
2000-01	23.92	21.88
2001-02	24.03	22.01
2002-03	21.50	19.48
2003-04	21.71	19.81
2004-05	20.53	Not available.

Note: Source CSO.